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June 8, 2010

The Honorable Jocelyn Boyd Interim Chief Clerk of the Commission Public Service Commission of South Carolina Post Office Drawer 11649 Columbia, South Carolina 29211

> Notice of Customer Choice Regarding Printed Residential White Pages Re:

**Directory Listings** Non-Docketed Item

Dear Ms. Boyd:

Enclosed for filing is AT&T South Carolina's Notice of Customer Choice Regarding Printed Residential White Pages Directory Listings in the above-referenced matter. As no Commission action is necessary, we respectfully request that the Commission post this Notice on its website as a Non-Docketed Item.

Sincerely,

Patrick W. Turner

PWT/nml **Enclosure** 

cc: All Parties of Record

819354

# BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

Notice of Customer Choice Regarding	)	Non-Docketed Item
Printed Residential White Pages Directory	)	
Listings	)	

## AT&T SOUTH CAROLINA'S NOTICE OF CUSTOMER CHOICE REGARDING PRINTED RESIDENTIAL WHITE PAGES DIRECTORY LISTINGS

BellSouth Telecommunications, Inc., d/b/a AT&T South Carolina ("AT&T South Carolina") respectfully submits this Notice to inform the Public Service Commission of South Carolina ("the Commission") that as new telephone directories covering selected areas are printed and distributed in South Carolina, AT&T South Carolina will give its customers the choice of whether to receive a printed copy of residential white pages directory listings covering those areas. As explained in more detail below, AT&T South Carolina will deliver to each of its business and residential customers an AT&T Real Yellow Pages directory that will contain: business white page listings; government listings; customer guide information; and other information that traditionally had been contained in these directories in compliance with the Commission's Rules. These delivered directories will not include residential white pages listings, but AT&T South Carolina will make residential white pages listings available online at no charge. Additionally, the front cover of the delivered directories will display a toll-free number that customers can call to obtain a free copy of the printed Residential White Pages (which will be mailed at no cost to the customer). Finally, other materials in the delivered directories will further inform customers of their ability to obtain a free copy of the printed Residential White Pages.

AT&T South Carolina anticipates that the Columbia directory will be the first to be impacted.

#### I. REASONS SUPPORTING THIS CUSTOMER CHOICE

For years, the residential white page directory was likely one of the most utilized books, and it served its purpose well. Times have changed, however, and the traditional residential white page telephone directory no longer provides the same utility it once did as customers are now turning less and less to the residential white pages directory and are instead looking to online and other resources for listing information. This is confirmed by trials AT&T recently conducted in Austin, Texas and Atlanta, Georgia to help gauge customer demand for a bound paper copy of the white pages residential directory.

Beginning in late November 2008, customers in Austin received one book from AT&T containing the Business White Pages, the Yellow Pages, the Customer Guide and all other information required under the Texas Commission's Rules, along with materials informing customers that they could receive a printed white pages directory containing residential listings, which would be mailed at no cost to the customer. Customers in Atlanta received the same information in two volumes, with the Business White Pages being separately bound.<sup>2</sup> After twelve months, only a fraction of AT&T's customers have requested a paper copy of the printed residential listings. When delivering based on customer requests, AT&T in Austin needed 2.50% of what it had to print the previous year. In Atlanta, it was 2.06%. Similar results are being experienced with the 2009 editions of the Austin and Atlanta directories, along with the 13 other directories that AT&T added to this program during 2009.

This is not surprising. Consumers tend to no longer use the residential listings in the white pages directory for a number of reasons, including the following:

In those markets, customers also received a CD-ROM of the white pages directory containing residential listings. The obligation to provide the CD-ROM in Atlanta was waived for the 2009 edition of the Atlanta directory.

- A growing number of homes do not have traditional wireline service.<sup>3</sup>
- Most telephone numbers are not in the white pages.<sup>4</sup>
- Wired and wireless devices can store large volumes of numbers.
- More customers use Caller ID and similar technologies that capture numbers.
- Customers more frequently use phone lists and directories from work, schools, places of worship, civic associations, and similar organizations.
- Online directory services, many of which are free of charge, are widely available from a number of sources.

Given the diminished utility and demand for printed residential white pages directories, it is not a responsible use of resources for AT&T South Carolina to continue providing them on an unsolicited basis to all households and businesses in its service territory, without regard to the customer's own choice based on his or her needs. Instead, AT&T South Carolina will allow the customer to choose whether they want a printed copy of the Residential White Pages, and those who do will receive one at no cost to them.

The FCC has reported that as of year-end 2006, 19.3% of households in the country were "households with wireless only." FCC Wireline Competition Bureau's August 2008 *Trends in Telephone Service*, available for download at <a href="https://www.fcc.gov/wcb/iatd/trends.html">www.fcc.gov/wcb/iatd/trends.html</a>, Table 7.4. This customer segment has grown dramatically and continues to grow. In 2001, this segment represented less than 2% of households. From 2005 to 2006 alone, the segment grew over 70%. *Id*.

There are more wireless numbers than wireline numbers, and most wireless numbers are not published in directories. Recent FCC data confirms the number of South Carolina telephone numbers not in white page directories far outweighs the number that are in the directories. The FCC's Wireline Competition Bureau's most recent report shows that in South Carolina, as of June 30, 2008, there were 3,572,588 wireless subscribers (Table 14), nearly all of whom are not in white page directories. On the other hand, the FCC's report shows that there are only 1,727,608 lines provided by ILECs (Table 10), and 398,682 lines provided by CLECs (Table 9), and many of those customers have chosen not to have their telephone numbers published in the white pages directory. For reference of scale, AT&T South Carolina only has approximately 885,106 publishable listings currently in its white pages directory database (which includes both AT&T and CLEC listings).

### II. WHAT CUSTOMERS WILL RECEIVE WITH THE DELIVERED DIRECTORY

AT&T South Carolina will deliver to each of its business and residential customers the AT&T Real Yellow Pages directory that will contain: business white page listings; Government listings; customer guide information; and other information that traditionally had been contained in these directories in compliance with the Commission's Rules.<sup>5</sup> In light of AT&T South Carolina's commitment to providing its customers with the ability to choose how they access and use white pages listing information, AT&T will make this information available in multiple formats, including:

www.realpageslive.com

www.YP.com

Print copy or CD-ROM (upon request).

AT&T's user-friendly directory website, <u>www.realpageslive.com</u>, provides directory information in the traditional directory format. This free on-line service provides the same look and feel of the printed directory, but with valuable capabilities (such as the ability to adjust the font size) that simply are not possible with a printed version.<sup>6</sup> All of the existing directory information is located on this site, including residential white pages listings, business white pages listings, government listings and the Customer Guide, which contains the information required by Commission Rules.

AT&T South Carolina will also deliver the same directory products to customers of CLECs that use AT&T's directory offerings to fulfill their directory obligations.

The electronic directory is superior to the printed version in a number of other ways: it is searchable electronically, and listings can be located instantaneously, while the printed book can only be consulted manually by reviewing alphabetical listings; the user can page forward or backward to check on other listings or see the other portion of a listing caption; it is easily accessible by any computer with Internet access; business websites listed in the printed directory become hot links to the actual business websites in the electronic directory; and font size can be easily adjusted to meet the needs and preferences of each customer.

Moreover, this website also includes access to the AT&T Real Yellow Pages, and every AT&T directory in 21 states is available on this site. Thus, AT&T provides customers with access to more directory information than they currently receive in a printed directory. In order to ensure that customers continue to receive the most important information currently included in the residential white pages directory, AT&T South Carolina will distribute the Customer Guide information, the business white pages, and the government listings with the printed AT&T Real Yellow Pages directory that will continue to be published and distributed by its affiliate to households and businesses in its service territory.

### III. HOW CUSTOMERS CAN CHOOSE TO HAVE A COPY OF THE PRINTED RESIDENTIAL WHITE PAGES DELIVERED AT NO COST TO THEM

As noted above, customers who still want to receive residential listings in printed format can do so at no charge to them. AT&T will place a text box on the cover of the delivered directory providing a toll-free number that can be called to request a free printed copy or CD-ROM of the white pages directory. Additionally, AT&T South Carolina will prominently place in the delivered directory a description of the plan and the options by which customers could acquire and access directory content, including the toll free number and the Internet address that can be used to request a free printed copy or CD-ROM of the residential white pages listings. Customers should receive the printed white pages directory within 10 to 15 business days after they order it. Printed copies of the residential white pages also will be made available, at no charge and without any marketing of AT&T telecommunications services, to customers of CLECs that use AT&T's directory offerings to fulfill their directory obligations.

AT&T South Carolina currently plans to include this information: (1) in the customer call guide in the front section of the AT&T Real Yellow Pages directory and (2) on a stiff bound insert in the AT&T Real Yellow Pages directory.

#### IV. ACTIVITY IN OTHER STATES

Recognizing that technological changes lead to lifestyle changes and a demand for innovative new products and services, AT&T has initiated similar directory alternatives in other states.<sup>8</sup> In addition, other states have addressed the availability of optional forms of providing listing information and have adopted alternatives to delivery of the traditional printed directory.<sup>9</sup>

In some states, formal action was not necessary to make this directory distribution change. AT&T has filed requests to implement this change in other states, and it plans to make additional filings based on factors such as publishing cycles and market size.

The Georgia Commission, for example, recently amended its rules to relieve local exchange companies of their obligation to distribute copies of residential directories that serve communities for which the combined population is more than 50,000 people unless a customer in those communities requests a free printed directory. See Order Adopting Rule, In Re: Notice of Proposed Rulemaking to Amend Commission Rule 515-12-1-10(3), Directories, Docket No. 20569 (Ga. Pub. Serv. Comm'n, April 28, 2010). Similarly, the Kentucky Commission recently found that AT&T's proposal satisfies the Kentucky requirement certain carriers "provide access to a standard, alphabetical directory listing that includes names, addresses, and telephone numbers at no additional charge." See, Order, In the Matter of Application of BellSouth Telecommunications Inc. d/b/a AT&T Kentucky for Declaration of Compliance with Directory Requirements Applicable to Electing Telephone Companies Pursuant to KRS 278.541 to 278.544, Case No. 2009-00480 (Kentucky Pub. Serv. Comm'n, April 12, 2010). The Oklahoma Corporation Commission amended its directory rule to allow telephone companies to make the white page directory listings available through CD ROM or via the internet as long as customers could obtain a printed paper white pages directory at no charge upon request. In the Matter of a Rulemaking of the Oklahoma Corporation Commission, Amending OAC 165:55, Telecommunications Service Rules, Cause No. 2000800005, submitted for legislative approval on January 7, 2009. See also R.H. Donnelley, Petition for Variance of Section 735.180 of the Illinois Admin. Code, No. 07-0434, Order, October 24, 2007 (Illinois Commerce Commission permitted limited distribution of white pages directories); In the Matter of the Application of Cincinnati Bell Telephone Company LLC for Waiver of Certain Minimum Telephone Service Standards as Set Forth in Chapter 4901:1-5, Ohio Administrative Code, Case No. 0801197-TP-WVR, Order Issued January 7, 2009; In the Matter of the Application of AT&T Ohio for Waiver of Certain Minimum Telephone Service Standards as set Forth in Chapter 4901:1-5, Ohio Administrative Code, Case No. 09-42-TP-WVR, Order Issued February 11, 2009 (Public Utilities Commission of Ohio granted ILECs' waiver requests and allowed ILECs to cease providing residential white page directories on an up front basis and to deliver residential white page directories to only those customers who requested them); In the matter of Southwestern Bell Telephone Company d/b/a AT&T Missouri's Application for Waiver of the General Distribution Requirement of White Pages Directories Under CSR 240-32.050(4)(B), File No. IE-20090357, Order Approving Unanimous Stipulation and Agreement effective August 1, 2009; In re: Petition by BellSouth Telecommunications, Inc. d/b/a AT&T Florida d/b/a AT&T Southeast for

#### COMPLIANCE WITH STATE LAW VI.

Effective October 1, 2009, AT&T South Carolina began operating pursuant to Section 58-9-576(C). This subsection charges the Commission with ensuring an electing LEC's compliance with specified pricing requirements that apply to grandfathered stand-alone basic Otherwise, it provides that the Commission must not "impose any residential lines.11 requirements related to the terms, conditions, rates, or availability" of service "or otherwise regulate" the retail services of the electing LEC or the retail interexchange services of the electing LEC or its affiliated entities.12

A stand-alone basic residential line that remains under the Commission's jurisdiction is defined as "single-line basic residential service" that meets certain criteria that are not relevant to this Notice. 13 "Single-line basic residential service," in turn, means "single-line residential flat rate basic voice grade local service with . . . one annual local directory listing (white pages or equivalent)."14 Making residential directory listings available online and providing customers the option to order (at no cost to them) a printed Residential White Pages listing clearly is the equivalent of an annual white pages local directory listing. 15

waiver of Rule 25-4.040(2), Florida Administrative Code, Docket No. 090082-TL, Order No. PSC-09-0492-PAA-TL, Issued July 8, 2009.

See Notice, In Re: AT&T South Carolina's Notice of Election to Operate Pursuant to S.C. Code Ann. §58-9-576(C), ND-2009-8-C (September 23, 2009).

Id., §58-9-576(C)(2).

<sup>12</sup> Id., §§58-9-576(C)(2),(3), and (4).

<sup>13</sup> Id., §58-9-576(C)(1)(b).

<sup>14</sup> Id., §58-9-576(C)(1)(a).

Additionally, Commission Rule 103-631 requires a telephone utility to have the name, address, and telephone numbers of all of its customers listed in a telephone directory that is published at regular intervals, and it requires the utility to distribute a copy of each directory to all customers served by it. To the extent that this Rule arguably applies to a company like AT&T South Carolina that has elected to operate pursuant to Section 58-9-576(C) - which AT&T South Carolina does not concede - the plan described herein would comply with this

Respectfully submitted this the day of June, 2010.

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